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BIO Applauds Obama Administration's Guidance for Therapeutic Discovery Project Program

New Guidance Brings Clarity, Speeds Process To Help Small Biotech Firms Access Needed Funding

WASHINGTON, DC (May 21, 2010) – The Biotechnology Industry Organization (BIO) praised the Obama Administration for its new guidance, released today, that will lead to many small biotechnology companies receiving needed funding to support critical on-going research and development programs. The guidance document initiates the Therapeutic Discovery Project Program (TDPP), which was created by the Patient Protection and Affordable Care Act signed into law by President Obama on March 23. The program will provide tax credits and grants to small biotechnology firms that show significant potential to produce breakthrough medical therapies, support good jobs and increase U.S. competitiveness.

The guidance importantly sets out timelines for applications to be received by the U.S Department of the Treasury and clarifies the evaluation process for the program. The new rules also impose a per company cap of \$5 million, ensuring that this program is spread broadly over a significant number of promising projects at biotech firms.

BIO President and CEO Jim Greenwood issued the following statement: "The Obama Administration's prompt dissemination of TDPP guidance will give small biotechnology companies a clearer sense of their eligibility and allow them to begin to develop their applications. The sooner this important program is implemented, the faster small companies can begin to advance a key goal of healthcare reform - ensuring that all Americans have access to quality healthcare, including innovative, high-quality therapies – and develop the technologies that will enable us to meet President Obama's challenge to 'end cancer in our time.'

"This program brings a much-needed shot in the arm to small life science companies for whom the capital markets have been frozen. It allows research-intensive small businesses to continue cutting-edge projects to develop advanced medicines and, ultimately, cures to help patients suffering from the world's most debilitating diseases.

"We thank Senator Robert Menendez (D-NJ) for championing this important program through Congress and the Obama Administration for embracing this effort to ensure America's biotech companies have the crucial support they need during these difficult economic times. Their leadership will help countless patients living with debilitating diseases access advanced and improved medical treatments. Indeed, this provision in the Affordable Care Act was strongly supported by a diverse array of patient advocacy organizations – such as the National Multiple Sclerosis Society, Easter Seals, and the Alzheimer's Drug Discovery Foundation – who praise the measure for encouraging 'investment in new therapies to prevent, diagnose and treat acute and chronic diseases.'"

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